

# DEPARTMENT OF HIGHER EDUCATION

## FINANCIAL SUMMARY

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	FY 2005 REQUEST	GOVERNOR RECOMMENDS FY 2005
Higher Education Coordination	\$ 744,822	\$ 789,095	\$ 789,095	\$ 801,508
Proprietary School Regulation	165,460	255,622	255,622	258,042
Midwest Higher Education Commission	82,500	82,500	82,500	82,500
Missouri Learners' Network	0	410,800	0	0
State Anatomical Board	2,543	3,069	3,069	3,069
Federal Education Programs	1,248,726	3,775,225	3,775,225	3,776,362
Grants and Scholarships	36,618,965	36,968,837	36,585,667	36,588,800
GEAR UP Program	900,704	1,704,612	1,664,612	1,668,863
Missouri Student Loan Program	90,374,911	103,492,161	102,115,415	102,163,836
Community Colleges	128,180,119	130,021,553	130,021,553	137,001,205
Technical Colleges	4,390,886	4,433,887	4,433,887	4,689,475
Four-Year Colleges and Universities	683,306,947	697,250,724	697,250,724	731,479,529
University of Missouri - Related Programs	39,992,472	48,497,688	48,497,688	48,497,688
DEPARTMENTAL TOTAL	\$ 986,009,055	\$ 1,027,685,773 *	\$ 1,025,475,057	\$ 1,067,010,877
General Revenue Fund	819,136,439	839,518,558	839,135,388	880,617,399
Federal Funds	3,450,213	6,690,637	6,239,837	6,245,225
Missouri Student Grant Program Gift Fund	50,000	50,000	50,000	50,000
Lottery Proceeds Fund	72,162,634	75,509,417	75,509,417	75,509,417
Spinal Cord Injury Fund	1,014	375,000	375,000	375,000
State Seminary Moneys Fund	209,267	250,000	250,000	250,000
GEAR UP Scholarship Fund	22,514	200,000	200,000	200,000
Proprietary School Bond Fund	0	100,000	100,000	100,000
U.S. Department of Education Recall Account Fund	32,421,669	0	0	0
U.S. Department of Education Interest Account Fund	796,804	2,700,420	2,000,420	2,002,178
State Seminary Fund	602,063	1,500,000	1,500,000	1,500,000
Guaranty Agency Operating Fund	14,493,207	15,791,741	15,114,995	15,161,658
Federal Student Loan Reserve Fund	42,663,231	85,000,000	85,000,000	85,000,000
Full-time equivalent employees	77.74	94.73	89.73	89.73

\* Does not include \$545,830 recommended in the Fiscal Year 2004 Supplemental Appropriations, including \$45,830 general revenue. See the Supplemental section of the Missouri Budget for details regarding the Department of Higher Education supplemental appropriations.

## POLICY SUMMARY

Governor Holden's budget for Fiscal Year 2005 provides a total of \$1.1 billion for the Department of Higher Education. The Department provides services for Missourians pursuing a postsecondary education. The core functions provided by the Department of Higher Education include:

- Supporting Missouri's two- and four-year institutions of higher education. Missouri's higher education institutions play a critical role in supplying the skilled workers that are necessary to stimulate economic growth in the state.
- Providing financial assistance to allow needy students access to higher education and to encourage Missouri's top academic achievers to attend Missouri higher education institutions.
- Planning for postsecondary education, evaluating institutional missions and performance, regulating proprietary institutions, and approving new degree programs offered by public colleges and universities.

## DEPARTMENT OF HIGHER EDUCATION

### POLICY SUMMARY (Continued)

#### Supporting Missouri's Higher Education Institutions

The Governor understands that economic growth in the 21st century is based on knowledge, innovation, and the use of technology. Missouri's higher education system plays a critical role in ensuring Missouri stays at the forefront of these cutting edge advances and in supplying skilled workers that are necessary to stimulate continued economic growth in the state. An educated workforce is the State of Missouri's most important economic development tool.

The General Assembly, however, made drastic cuts to funding for higher education in the Fiscal Year 2004 budget. The Governor believes cutting education will only hurt the state's economic future, and his Fiscal Year 2005 budget restores the money the General Assembly cut as follows:

- \$34,228,805 for Missouri's four-year colleges and universities, increasing total funding to \$731.5 million.
- \$6,979,652 for Missouri's community colleges, increasing total funding to \$137.0 million.
- \$255,588 for Linn State Technical College, increasing total funding to \$4.7 million.

#### Assisting Students

**Jobs Now** – The Governor's Jobs Now proposal will encourage Missouri's higher education students to pursue fields of study that will lead to employment in high-demand occupational fields with Missouri companies. For over twenty years, the Missouri Higher Education Loan Authority (MOHELA) has offered Missouri students and parents the lowest interest rates for student loans in the nation. Through a cooperative effort between MOHELA, the Department of Higher Education, and the Department of Economic Development, excess yields in MOHELA's revenue bonds will be set aside for this initiative. A total of \$3 million annually will be made available in student loans and loan forgiveness (\$18 million over the next 6 years) to address Missouri's immediate and future workforce needs.

**Vietnam Veterans Survivors Scholarship Program** – The Vietnam Veterans Survivors Scholarship Program provides higher education scholarships to the children and spouses of veterans of the Vietnam War whose death was caused by exposure to toxic chemicals. Governor Holden recommends an additional \$23,370 to ensure that all qualified applicants will receive scholarships.

**Public Service Survivor Grant Program** – The Public Service Survivor Grant Program provides grants for higher education expenses to the children and spouses of public employees killed or permanently and totally disabled in the line of duty. Governor Holden recommends an additional \$22,460 to ensure that all qualified applicants will receive grants.

#### Improved Efficiency

Missouri has always been a low tax state and has, therefore, provided only essential services at a very low cost. The state's already low tax level combined with two consecutive years of declining revenue have led to significant reductions in many programs. However, under Governor Holden's leadership, state agencies have minimized the negative impact on services by dramatically reducing administrative costs and by developing ways to provide remaining services in the most efficient manner possible.

The Department of Higher Education and the higher education institutions have aggressively improved the services they provide and reduced administrative costs by:

- Consolidating and eliminating administrative positions at the two- and four-year higher education institutions. For example, the consolidation of positions in Administrative Services and the Provost's Office at the University of Missouri – Columbia has resulted in an annual savings of \$685,000, including the elimination of four senior administrative positions. Linn State Technical College was able to eliminate two Vice Presidents by shifting duties to other staff for an annual savings of \$160,000. The reorganization and consolidation of information technology services staff at the University of Missouri – Rolla will result in an annual savings of \$125,000.
- Utilizing the latest technology to reduce costs and improve customer service. For example, Truman State University has invested in new software designed to replace several in-house systems. This automation upgrade is expected to save \$36,700 annually by reducing paper billing and registration and allowing for self-service transactions for students, faculty, and staff. Central Missouri State University has implemented automatic deposit, electronic reimbursement, and on-line payment systems that will result in annual savings of \$114,400.
- Negotiating a contract for a new, less expensive loan service provider for the Department of Higher Education at an estimated savings of \$16 million over the life of the contract.
- Consolidating administrative functions throughout the Department of Higher Education, resulting in the elimination of five staff.

## **DEPARTMENT OF HIGHER EDUCATION**

### **POLICY SUMMARY (Continued)**

In addition to cost-cutting measures already implemented by the Department of Higher Education and the higher education institutions, the following efficiency measures are planned:

- The University of Missouri is conducting program viability audits of 48 departments and degree programs to determine whether these programs should be enhanced, modified, or closed. The programs will be evaluated on such criteria as cost, student demand, and relationship to the university's mission.
- The Department of Higher Education will implement a comprehensive web-based financial assistance system in Fiscal Year 2005 that will integrate multiple state student financial assistance program databases and interface with high schools, colleges, universities, and students, providing the ability to access or update student information.

#### **Cuts Already Made**

The Department of Higher Education and the higher education institutions have worked to minimize the impact of reduced funding on services. However, funding for higher education has been cut significantly in recent years. For example, the Fiscal Year 2004 reduction of \$39.7 million in state aid to the higher education institutions has resulted in tuition costs at Missouri's public four-year colleges and universities rising by an average of 14.8 percent in the last year, while tuition costs at Missouri's community colleges have risen by an average of 9.3 percent over the same period. In addition to increasing tuition, institutions have been forced to eliminate programs and cut faculty and staff in order to deal with the funding reductions. The tuition increases have placed an enormous financial burden on Missouri students and their families and have forced an increasing number of students to take on unacceptably high levels of debt in order to pursue a college education.

In addition, Missouri's grant and scholarship programs were reduced by \$589,550 in Fiscal Year 2004, resulting in many students not receiving grants and scholarships. Reduced financial aid on top of crippling increases in tuition is causing some families with lower and middle incomes to no longer be able to afford the cost of college.

## DEPARTMENT OF HIGHER EDUCATION

### POLICY SUMMARY (Continued)

#### Lottery Proceeds For Education

During Fiscal Year 2005, \$206.7 million will be available from lottery revenues for education. Of this amount, \$205.6 million is from anticipated Fiscal Year 2005 revenues. The remaining \$1.1 million is from revenues generated but not expended during prior fiscal years. The Governor recommends allocating estimated lottery revenues as follows:

<b><u>ELEMENTARY AND SECONDARY EDUCATION</u></b>	
• Character Education	\$ 250,000
• A+ Schools	12,563,100
• Safe Schools/Alternative Schools	4,122,368
• Advanced Placement/Dual Credit	711,786
• Transportation	78,371,749
• Early Childhood Special Education	6,460,897
* Early Childhood Special Education	10,087,610
• Special Education	3,762,000
• Gifted	198,351
• DSS/DMH Public Placements	7,768,606
• Research Contract	110,880
• Early Grade Literacy	145,000
• State Schools Operating Maintenance and Repair	342,754
• Vocational Rehabilitation	1,400,000
• Minority Scholarships	200,000
• Scholars Academy	158,156
• Test Development	<u>4,568,630</u>
SUBTOTAL	\$ 131,221,887
 <b><u>HIGHER EDUCATION</u></b>	
• Four-Year Institutions Operations	\$ 46,969,759
• Four-Year Institutions Operating Maintenance and Repair	18,893,066
• Community Colleges Operations	4,833,814
• Community Colleges Operating Maintenance and Repair	2,062,778
• Missouri College Guarantee Program	<u>2,750,000</u>
SUBTOTAL	\$ 75,509,417
 <b>TOTAL</b>	 <b><u>\$ 206,731,304</u></b>
 *Increased funding	

# DEPARTMENT OF HIGHER EDUCATION

## POLICY SUMMARY (Continued)

### PERFORMANCE MEASURES

**Table 1: Performance measures the Department of Higher Education uses to evaluate the outcomes of higher education**

	2000	2001	2002
Number of graduates of Missouri public institutions entering Missouri's workforce			
Associate degree graduates	6,593	6,908	6,695
Average salary	\$20,551	\$20,655	\$20,243
Percent employed in Missouri	74%	74%	74%
Bachelor degree graduates	15,375	15,349	16,184
Average salary	\$26,607	\$25,977	\$24,746
Percent employed in Missouri	62%	63%	63%
Masters degree graduates	4,055	4,267	4,304
Average salary	\$39,185	\$39,290	\$38,803
Percent employed in Missouri	61%	61%	60%
Doctoral degree graduates	400	423	397
Average salary	\$44,257	\$44,935	\$50,655
Percent employed in Missouri	32%	38%	34%

**Table 2: Performance measures the Department of Higher Education uses to evaluate the impact of higher education**

	2001	2002	2003
Number of graduates of the higher education system	53,994	56,628	60,134
Percentage of total degrees conferred upon minorities	15.1%	15.7%	16.2%

**Table 3: Performance measures the Department of Higher Education uses to evaluate access to higher education**

	2001	2002	2003
Number of students applying for student financial assistance	110,000	164,000	165,000
Number of students receiving state student financial assistance	26,714	27,459	25,727
Dollar amount awarded in state student financial assistance	\$43,926,860	\$44,818,781	\$41,713,900
Average cost of in-state tuition at Missouri's four-year institutions	\$3,690	\$3,908	\$4,546
Average cost of in-district tuition at Missouri's two-year institutions	\$1,462	\$1,520	\$1,838

**Table 4: Performance measures the Department of Higher Education uses to evaluate the performance of public community colleges**

	2000	2001	2002
<u>Student Advancement</u>			
First year success (24 credit hours and 2.0 GPA by end of spring semester) of first-time, full-time degree seeking freshmen	39%	39%	40%
Number of graduates with certificates of one year or more or associate degrees	7,427	7,750	8,365
Percentage of baccalaureate graduates that successfully transferred from a community college with 12 or more credit hours	17.6%	18.6%	21.0%

# DEPARTMENT OF HIGHER EDUCATION

## POLICY SUMMARY (Continued)

**Table 5: Performance measures the Department of Higher Education uses to evaluate the performance of four-year public colleges and universities**

	2000	2001	2002
<u>Student Advancement</u>			
First year success (24 credit hours and 2.0 GPA by spring of first year) of first-time, full-time degree seeking freshmen	72%	72%	71%
Six-year graduation rates for first-time, full-time degree seeking freshmen	52.1%	55.6%	56.4%
<u>Quality of Baccalaureate Program Graduates</u>			
Percentage who scored at or above the 50 <sup>th</sup> percentile on a nationally normed test in general education	63.2%	62.4%	61.2%
Percentage who took a nationally normed test in their major and scored at or above the 50 <sup>th</sup> percentile	58.6%	58.8%	57.2%
Percentage who passed a licensure, certification, or a registration exam	83.0%	83.0%	79.6%
<u>Quality of Prospective Teachers</u>			
Percentage who met teacher program entry standards	70%	75%	78%
Percentage who met teacher program exit standards	60%	60%	56%

## **DEPARTMENT OF HIGHER EDUCATION**

### **HIGHER EDUCATION COORDINATION**

This program includes the Commissioner of Higher Education, the general administrative staff, and the expenses of the Coordinating Board. Under direction of the Coordinating Board, the administrative staff review and coordinate the programs of approximately 58 public and private institutions of higher education. Staff also prepare the Coordinating Board's budget recommendations for public colleges and universities. Other program responsibilities include collecting and distributing student enrollment data and reviewing and approving proposed new degree programs at public institutions.

#### **Fiscal Year 2005 Governor's Recommendations**

- \$12,903 for pay plan.
- (\$490) core reduction from the Fiscal Year 2004 appropriation level.

### **PROPRIETARY SCHOOL REGULATION**

Sections 173.600 through 173.618, RSMo, provide for the regulation of proprietary schools operating in the State of Missouri. The Coordinating Board is charged with the authority to issue, revoke, or suspend certificates of approval ensuring that proprietary schools meet minimum state standards, place schools on probation, require each school to file a security bond, and collect data from certified proprietary schools.

#### **Fiscal Year 2005 Governor's Recommendations**

- \$2,420 for pay plan.

### **MIDWEST HIGHER EDUCATION COMMISSION**

The Midwest Higher Education Commission is a consortium of states that work together on student exchange agreements, higher education research and policy development, and cost saving programs in which Missouri institutions may participate. Membership in the organization requires payment of annual dues. Missouri became a member state of the Midwest Higher Education Commission pursuant to the legislative provisions of Sections 173.708 through 173.710, RSMo.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

### **MISSOURI LEARNERS' NETWORK**

The Missouri Learners' Network is a voluntary, collaborative project among Missouri postsecondary institutions designed to provide a single web access point to distance learning opportunities in Missouri. The Missouri Learners' Network web site features an electronic catalog of postsecondary, off-campus, credit courses and programs offered by all of Missouri's public two- and four-year colleges and universities, most of the state's independent institutions, and several proprietary and career schools.

#### **Fiscal Year 2005 Governor's Recommendations**

- (\$410,800) federal funds core reduction from the Fiscal Year 2004 appropriation level.

### **STATE ANATOMICAL BOARD**

Sections 194.120 through 194.180, RSMo, authorize the State Anatomical Board to collect and distribute human cadavers to qualified medical schools. Expenditures consist of fixed stipends for officers of the board and per capita stipends for doctors with the responsibility for receipt and distribution of cadavers. Participating schools pay a per-student assessment of 50 cents which is deposited in general revenue.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF HIGHER EDUCATION**

### **FEDERAL EDUCATION PROGRAMS AND DONATIONS**

The Improving Teacher Quality States Grant Program provides federal funds for the improvement of instruction in the core subject areas in grades K-12. The Department of Higher Education administers its portion of these funds through a competitive grant process. The funds are used to design and develop professional development projects addressing the needs of K-12 teachers in the targeted core academic subjects of mathematics and science.

In addition, department staff will continue to pursue federal grants, foundation resources, and private donations to support new programs.

### **Fiscal Year 2005 Governor's Recommendations**

- \$1,137 federal funds for pay plan.



**DEPARTMENT OF HIGHER EDUCATION  
STUDENT FINANCIAL AID**

**FINANCIAL SUMMARY**

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	FY 2005 REQUEST	GOVERNOR RECOMMENDS FY 2005
<b>GRANTS AND SCHOLARSHIPS</b>				
Administration	\$ 253,192	\$ 275,951	\$ 275,951	\$ 279,084
Academic Scholarship Program	15,787,000	15,787,000	15,787,000	15,787,000
Charles E. Gallagher Grant Program	16,951,733	16,628,436	16,628,436	16,628,436
Public Service Survivor Grant Program	30,790	38,250	60,710	60,710
Vietnam Veterans Survivors Scholarship Program	11,250	10,200	33,570	33,570
Marguerite Ross Barnett Scholarship Program	425,000	425,000	425,000	425,000
Missouri College Guarantee Program	2,750,000	3,175,000	3,175,000	3,175,000
Advantage Missouri Program	410,000	629,000	200,000	200,000
GEAR UP PROGRAM	900,704	1,704,612	1,664,612	1,668,863
<b>MISSOURI STUDENT LOAN PROGRAM</b>				
Administration	10,333,549	13,006,761	12,183,607	12,225,680
U.S. Department of Education Recall Account	32,421,669	0	0	0
Federal Loan Compliance	3,940,926	5,000,000	4,500,000	4,500,000
E-Government	1,015,536	485,400	431,808	438,156
Federal Student Loan Reserve Fund	42,663,231	85,000,000	85,000,000	85,000,000
<b>DIVISIONAL TOTAL</b>	<b>\$ 127,894,580</b>	<b>\$ 142,165,610</b>	<b>\$ 140,365,694</b>	<b>\$ 140,421,499</b>
<b>PERSONAL SERVICE</b>				
General Revenue Fund	187,623	183,301	183,301	186,969
Federal Funds	214,986	252,560	212,560	216,811
Other Funds	1,941,436	2,597,855	2,421,109	2,469,530
<b>EXPENSE AND EQUIPMENT</b>				
General Revenue Fund	65,569	92,650	92,650	92,115
Federal Funds	140,636	554,480	554,480	554,480
Other Funds	12,885,058	14,004,306	13,304,306	13,304,306
<b>PROGRAM SPECIFIC DISTRIBUTION</b>				
General Revenue Fund	42,040	48,450	94,280	94,280
Federal Funds	522,568	697,572	697,572	697,572
Other Funds	75,570,931	87,090,000	86,590,000	86,590,000
<b>FUND TRANSFERS</b>				
General Revenue Fund	32,200,436	32,844,436	32,415,436	32,415,436
Federal Funds	1,323,297	1,000,000	1,000,000	1,000,000
Other Funds	2,800,000	2,800,000	2,800,000	2,800,000
<b>TOTAL</b>	<b>\$ 127,894,580</b>	<b>\$ 142,165,610</b>	<b>\$ 140,365,694</b>	<b>\$ 140,421,499</b>
General Revenue Fund	32,495,668	33,168,837	32,785,667	32,788,800
Federal Funds	2,201,487	2,504,612	2,464,612	2,468,863
Other Funds	93,197,425	106,492,161	105,115,415	105,163,836
<b>Full-time equivalent employees</b>				
	61.17	76.78	71.78	71.78

## **DEPARTMENT OF HIGHER EDUCATION**

### **STUDENT FINANCIAL AID (Continued)**

#### **ADMINISTRATION OF STATE GRANT AND SCHOLARSHIP PROGRAMS**

Administration of the state grant and scholarship programs includes determining an applicant's eligibility for a grant, determining the amount of individual grants, issuing payments, and monitoring school financial aid offices for compliance with program requirements. Approximately 25,700 grants and scholarships totaling nearly \$41.7 million annually are distributed by the department.

##### **Fiscal Year 2005 Governor's Recommendations**

- \$3,668 for pay plan.
- (\$535) core reduction from the Fiscal Year 2004 appropriation level.

#### **ACADEMIC SCHOLARSHIP PROGRAM**

The Academic Scholarship Program ("Bright Flight") provides \$2,000 scholarships for Missouri high school graduating seniors scoring in the top three percent of all Missouri students taking either the American College Test (ACT) or the Scholastic Aptitude Test (SAT) of the College Board. The students must use the scholarship to attend a Missouri college or university. The scholarships are renewable up to a total of ten semesters. An estimated 8,200 students will be awarded scholarships in Fiscal Year 2005.

##### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

#### **CHARLES E. GALLAGHER GRANT PROGRAM**

The Charles E. Gallagher Student Financial Assistance (Missouri Student Grant) Program provides non-repayable grants to eligible Missouri postsecondary students of up to a maximum of ten semesters based on the lesser of: (a) demonstrated financial need, (b) one-half the tuition and fees of the previous year, or (c) \$1,500.

##### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

#### **PUBLIC SERVICE SURVIVOR GRANT PROGRAM**

The Public Service Survivor Grant Program provides educational benefits to the children and spouses of certain public employees killed or permanently and totally disabled in the line of duty. An eligible child, up to the age of 24, or an eligible spouse may receive a grant to enroll in a program leading to a certificate, associate degree, or baccalaureate degree at an approved public or private postsecondary institution. The grant may not exceed the amount paid in tuition by a full-time undergraduate Missouri resident at the University of Missouri.

##### **Fiscal Year 2005 Governor's Recommendations**

- \$22,460 to ensure that all qualified applicants to the Public Service Survivor Grant Program will receive grants.

#### **VIETNAM VETERANS SURVIVORS SCHOLARSHIP PROGRAM**

The Vietnam Veterans Survivors Scholarship Program provides educational benefits to the spouse or child of a veteran of the Vietnam War whose death was caused by exposure to toxic chemicals. The maximum award may not exceed the amount of tuition paid by a full-time undergraduate Missouri resident at the University of Missouri.

##### **Fiscal Year 2005 Governor's Recommendations**

- \$23,370 to ensure that all qualified applicants to the Vietnam Veterans Survivors Scholarship Program will receive scholarships.

## **DEPARTMENT OF HIGHER EDUCATION**

### **STUDENT FINANCIAL AID (Continued)**

#### **MARGUERITE ROSS BARNETT SCHOLARSHIP PROGRAM**

The Marguerite Ross Barnett Scholarship Program provides grants to part-time undergraduate students who are employed and compensated for at least 20 hours per week and who have financial need. The maximum award may not exceed the amount of tuition paid by a part-time undergraduate Missouri resident at the University of Missouri.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

#### **MISSOURI COLLEGE GUARANTEE PROGRAM**

The Missouri College Guarantee Program provides scholarships based on financial need to students that meet specified academic standards. The program is designed to serve Missouri students most in need regardless of institutional choice.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

#### **ADVANTAGE MISSOURI PROGRAM**

The Advantage Missouri Program is a loan and loan forgiveness program designed to address workforce needs in high demand occupations. Students enrolling in an academic program in an occupational field of high demand may apply for a loan that will forgive one year of the loan for each year the student works in Missouri in that specified field. The current targeted occupational areas are biomedical/biotechnology, advanced manufacturing technology, and computer technology.

#### **Fiscal Year 2005 Governor's Recommendations**

- (\$429,000) core reduction to reflect the General Assembly's intent to phase-out this program.

#### **GEAR UP PROGRAM**

The Department of Higher Education has been awarded a federal GEAR UP grant that will help improve the educational attainment of Missouri citizens by providing early college preparation and awareness activities to participating students through comprehensive mentoring, counseling, outreach, and other support services. These activities promote equal access to educational excellence through partnership efforts on behalf of low-income, underrepresented students, and ensure that targeted students have access to rigorous courses that prepare them for college. Thirteen Missouri high schools in five public school districts with more than 3,000 students are participating in the GEAR UP Program. Participants of the program may be eligible for scholarships based on high school performance and financial need.

#### **Fiscal Year 2005 Governor's Recommendations**

- \$4,251 federal funds for pay plan.
- (\$40,000) federal funds and (one) staff in core reduction from the Fiscal Year 2004 appropriation level.

#### **MISSOURI STUDENT LOAN PROGRAM AND ADMINISTRATION**

The Missouri Student Loan Program provides repayable loans to parents and students through commercial lending institutions. Since its inception in 1979, the program has guaranteed approximately 1.8 million loans totaling nearly \$5.8 billion. In Fiscal Year 2005, approximately 100 lending institutions will participate in loaning funds to students attending more than 125 eligible institutions. Approximately 153,000 loans totaling over \$708 million annually are distributed by the department. The Missouri Student Loan Program uses outside contractors to process and service its loans. The loan program staff performs activities including outreach services to students, schools, and lenders; the administration of the Administrative Wage Garnishment and Automated Transfer of Money programs; general loan program administration; and functions necessary to oversee contractor services and ensure compliance with state and federal law.

#### **Fiscal Year 2005 Governor's Recommendations**

- \$48,421 other funds for pay plan.
- (\$1,376,746) other funds and (four) staff in core reduction from the Fiscal Year 2004 appropriation level.

## DEPARTMENT OF HIGHER EDUCATION

### AID TO PUBLIC COMMUNITY COLLEGES

The budget recommendations for Missouri public community colleges are based on the recommendations developed by the Coordinating Board. The 12 institutions (18 campuses) eligible to receive state aid are: Crowder College in Neosho, East Central College in Union, Jefferson College in Hillsboro, Metropolitan Community Colleges – five campuses in the Kansas City area, Mineral Area College in Park Hills, Moberly Area Community College in Moberly, North Central Missouri College in Trenton, Ozarks Technical Community College in Springfield, St. Charles Community College in St. Peters, St. Louis Community College – three campuses in St. Louis City and County, State Fair Community College in Sedalia, and Three Rivers Community College in Poplar Bluff. For Fiscal Year 2005, the Coordinating Board recommends funding of \$130,021,553 for community colleges.

### FINANCIAL SUMMARY

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	FY 2005 REQUEST	GOVERNOR RECOMMENDS FY 2005
Aid to Community Colleges	\$ 87,911,529	\$ 92,991,056	\$ 92,991,056	\$ 95,487,195
Out-of-District Programs	1,248,884	1,148,458	1,148,458	1,287,509
Workforce Preparation	17,303,831	15,912,389	15,912,389	17,839,001
Postsecondary Technical Education Initiatives	21,715,875	19,969,650	19,969,650	22,387,500
TOTAL	\$ 128,180,119	\$ 130,021,553	\$ 130,021,553	\$ 137,001,205
General Revenue Fund	122,654,425	123,124,961	123,124,961	130,104,613
Lottery Proceeds Fund	5,525,694	6,896,592	6,896,592	6,896,592

### Fiscal Year 2005 Governor's Recommendations

- \$2,496,139 for state aid to community colleges.
- \$2,417,850 for postsecondary technical education initiatives approved by Regional Technical Education Councils.
- \$1,926,612 for workforce preparation projects.
- \$139,051 for out-of-district programs.

### LINN STATE TECHNICAL COLLEGE

Senate Bill 101 (1995) established Linn State Technical College with a statewide mission to offer highly specialized and advanced technical education and training at the certificate and associate degree level. For Fiscal Year 2005, the Coordinating Board recommends funding of \$4,433,887 for Linn State Technical College.

### Fiscal Year 2005 Governor's Recommendations

- \$255,588 for increased funding for Linn State Technical College.

## DEPARTMENT OF HIGHER EDUCATION

### PUBLIC FOUR-YEAR INSTITUTIONS OF HIGHER EDUCATION

The budget recommendations for Missouri's ten public, four-year institutions of higher education are based on the recommendations developed by the Coordinating Board. Missouri's public, four-year institutions of higher education include: Central Missouri State University at Warrensburg, Harris-Stowe State College at St. Louis, Lincoln University at Jefferson City, Missouri Southern State University - Joplin, Missouri Western State College at St. Joseph, Northwest Missouri State University at Maryville, Southeast Missouri State University at Cape Girardeau, Southwest Missouri State University at Springfield, Truman State University at Kirksville, and the University of Missouri. For Fiscal Year 2005, the Coordinating Board recommends funding of \$697,250,724 for four-year institutions.

### FINANCIAL SUMMARY

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	FY 2005 REQUEST	GOVERNOR RECOMMENDS FY 2005
Central Missouri State University	\$ 52,057,676	\$ 52,567,478	\$ 52,567,478	\$ 55,597,699
Harris-Stowe State College	9,488,114	9,581,032	9,581,032	10,133,324
Lincoln University	16,196,698	16,360,445	16,360,445	17,298,105
Missouri Southern State University - Joplin	17,988,593	20,373,791	20,373,791	20,373,791
Missouri Western State College	18,460,744	20,084,703	20,084,703	20,084,703
Northwest Missouri State University	27,145,517	29,167,319	29,167,319	29,167,319
Southeast Missouri State University	42,390,847	42,805,983	42,805,983	45,273,509
Southwest Missouri State University	75,182,099	77,757,193	77,757,193	80,294,626
Truman State University	39,427,734	39,813,848	39,813,848	42,108,894
Subtotal	298,338,022	308,511,792	308,511,792	320,331,970
University of Missouri	384,968,925	388,738,932	388,738,932	411,147,559
TOTAL	\$ 683,306,947	\$ 697,250,724	\$ 697,250,724	\$ 731,479,529
General Revenue Fund	619,420,007	631,808,427	631,808,427	666,037,232
Lottery Proceeds Fund	63,886,940	65,442,297	65,442,297	65,442,297

### Fiscal Year 2005 Governor's Recommendations

- \$34,228,805 for increased funding at public four-year institutions:
  - \$3,030,221 for Central Missouri State University
  - \$552,292 for Harris-Stowe State College
  - \$937,660 for Lincoln University
  - \$2,467,526 for Southeast Missouri State University
  - \$2,537,433 for Southwest Missouri State University
  - \$2,295,046 for Truman State University
  - \$22,408,627 for the University of Missouri

**DEPARTMENT OF HIGHER EDUCATION  
UNIVERSITY OF MISSOURI – RELATED PROGRAMS**

**FINANCIAL SUMMARY**

	FY 2003 EXPENDITURE	FY 2004 APPROPRIATION	FY 2005 REQUEST	GOVERNOR RECOMMENDS FY 2005
MOBIUS	\$ 630,053	\$ 649,539	\$ 649,539	\$ 649,539
MOREnet	9,910,074	15,004,401	15,004,401	15,004,401
University Hospital and Clinics	8,344,246	8,911,671	13,135,457	13,135,457
Ellis Fischel Cancer Center	3,954,848	4,223,786	0	0
Missouri Rehabilitation Center	9,472,540	10,116,691	10,116,691	10,116,691
Missouri Institute of Mental Health	2,153,414	2,299,850	2,299,850	2,299,850
Missouri Kidney Program	3,761,018	4,016,774	4,016,774	4,016,774
State Historical Society	863,857	922,601	922,601	922,601
Alzheimer's Research Program	90,078	227,375	227,375	227,375
Spinal Cord Injury	1,014	375,000	375,000	375,000
State Seminary Investments	602,063	1,500,000	1,500,000	1,500,000
State Seminary Income on Investments	209,267	250,000	250,000	250,000
<b>TOTAL</b>	<b>\$ 39,992,472</b>	<b>\$ 48,497,688</b>	<b>\$ 48,497,688</b>	<b>\$ 48,497,688</b>
General Revenue Fund	39,180,128	46,372,688	46,372,688	46,372,688
Spinal Cord Injury Fund	1,014	375,000	375,000	375,000
State Seminary Fund	209,267	250,000	250,000	250,000
State Seminary Moneys Fund	602,063	1,500,000	1,500,000	1,500,000

**UNIVERSITY OF MISSOURI – RELATED PROGRAMS**

The University of Missouri has administrative responsibility for a range of programs that are related to its institutional mission, but are not a part of the education and general operations: Missouri Bibliographic Information User System (MOBIUS), Missouri Research and Education Network (MOREnet), University Hospital and Clinics, Ellis Fischel Cancer Center, Missouri Rehabilitation Center, Missouri Institute of Mental Health, Missouri Kidney Program, the State Historical Society, Alzheimer's Research Program, Spinal Cord Injury Research Program, and investments and interest from state seminary fund and state seminary moneys fund.

**MISSOURI BIBLIOGRAPHIC INFORMATION USER SYSTEM (MOBIUS)**

The Missouri Bibliographic Information User System, also known as MOBIUS, is a consortium of academic libraries with member colleges and universities in the state of Missouri. Fifty charter members began the project in January 1999. The largest single project for which MOBIUS is responsible is the Common Library Platform project. The Common Library Platform is a collaboration among state agencies and public and independent colleges and universities that allows academic libraries to share 18.2 million volumes, approximately \$1 billion worth of library books and materials, owned by Missouri's public and independent higher education institutions. The University of Missouri serves as the host site to administer and operate the shared system hardware and software.

**Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

**MISSOURI RESEARCH AND EDUCATION NETWORK (MOREnet)**

MOREnet operates a shared network infrastructure for elementary and secondary education, higher education, public libraries, and community information networks. This shared network infrastructure includes connections to the Internet and a statewide backbone with hubs to connect each site. MOREnet integrates voice, video, and data transmissions, as well as handles the ever-increasing demand for network capacity to conduct research.

**Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF HIGHER EDUCATION**

### **UNIVERSITY OF MISSOURI – RELATED PROGRAMS (Continued)**

#### **HOSPITAL AND CLINICS**

The University of Missouri-Columbia operates a teaching facility for medical, nursing, and other health care field students. In addition, the facility provides inpatient care, outpatient care, and specialized medical services to both area residents and persons referred from throughout the state. The hospital budget includes costs associated with providing patient care and maintenance of the facility. Instructional and research activity costs are included in the university's general operating budget.

#### **Fiscal Year 2005 Governor's Recommendations**

- \$4,223,786 reallocated from Ellis Fischel Cancer Center.

#### **ELLIS FISCHEL CANCER CENTER**

The Ellis Fischel Cancer Center provides comprehensive medical treatment, conducts clinical research, and offers education to both health professionals and Missourians at large.

#### **Fiscal Year 2005 Governor's Recommendations**

- (\$4,223,786) reallocated to Hospital and Clinics.

#### **MISSOURI REHABILITATION CENTER**

The Missouri Rehabilitation Center provides medical treatment for traumatic brain injury, comprehensive rehabilitation services, pulmonary/ventilator rehabilitation, tuberculosis treatment, terminal and acute care, and outpatient services.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

#### **MISSOURI INSTITUTE OF MENTAL HEALTH**

The Missouri Institute of Mental Health, operated by the School of Medicine of the University of Missouri at Columbia, is a mental health research and teaching institute that provides educational and staff support to the Department of Mental Health. The institute researches the basic causes of mental illness and methods for improved patient care and operates training programs for mental health professionals.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

#### **MISSOURI KIDNEY PROGRAM**

The Missouri Kidney Program enables Missourians with end-stage renal disease to obtain treatment. The program contracts with federally approved dialysis centers and facilities and pays those costs of dialysis or kidney transplantation not paid by other sources such as Medicare, Medicaid, and private insurance. Patients' drugs, transportation expenses, and medical bills are paid by the program, along with the needed medical equipment and supply costs.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

#### **STATE HISTORICAL SOCIETY**

The State Historical Society of Missouri is directed by statute to collect, preserve, publish, and make accessible those materials that pertain to the history of Missouri and western America. The staff conducts research projects, publishes the quarterly Missouri Historical Review, and produces other publications.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

## **DEPARTMENT OF HIGHER EDUCATION**

### **UNIVERSITY OF MISSOURI – RELATED PROGRAMS (Continued)**

#### **ALZHEIMER'S RESEARCH PROGRAM**

The program funds research that will advance knowledge concerning Alzheimer's disease and related disorders. An advisory board makes research awards to researchers in public or private educational, health care, and research institutions and other voluntary health associations.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

#### **SPINAL CORD INJURY RESEARCH**

The program funds research that will advance knowledge concerning spinal cord injuries and congenital or acquired disease processes. Research awards are made by an advisory board to researchers in public or private educational, health care, and research institutions and other voluntary health associations.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.

#### **STATE SEMINARY FUND INVESTMENTS AND INTEREST ON INVESTMENTS**

The state seminary fund consists of the proceeds of the sale of land donated to the state, proceeds from a direct tax received from the United States, the James S. Rollins scholarship fund, and others. Income from the state seminary moneys fund is given to the University of Missouri as required by Article IX, Section 6 of the Missouri Constitution, and by Section 172.610, RSMo.

#### **Fiscal Year 2005 Governor's Recommendations**

Continue funding at the current level.